

UNITED STATES BANKRUPTCY COURT  
EASTERN DISTRICT OF MICHIGAN  
SOUTHERN DIVISION

In re

CITY OF DETROIT, MICHIGAN,

Debtor.

No. 13-53846

Chapter 9

HON. STEVEN W. RHODES

**EXHIBIT 2**

**THE STATE'S RESPONSE TO  
SUPPLEMENTAL BRIEFING ON ELIGIBILITY**

EXHIBIT 2      Local Emergency Financial Assistance Loan  
Board Order 2013-5, Appointment of Emergency  
Financial Manager



RICK SNYDER  
GOVERNOR

STATE OF MICHIGAN  
DEPARTMENT OF TREASURY  
LANSING

ANDY DILLON  
STATE TREASURER

## **LOCAL EMERGENCY FINANCIAL ASSISTANCE LOAN BOARD**

### **ORDER 2013-5**

### **APPOINTMENT** **OF EMERGENCY FINANCIAL MANAGER**

**FOR THE CITY OF DETROIT  
COUNTY OF WAYNE  
STATE OF MICHIGAN**

WHEREAS, on March 1, 2013, pursuant to Section 15(1) of Public Act 72 of 1990, the Local Government Fiscal Responsibility Act, the Governor determined a financial emergency to exist in the City of Detroit; And

WHEREAS, on March 1, 2013, the Governor provided City of Detroit officials with written notice of his determination, together with the findings of fact that were utilized as the basis upon which his determination was made, a concise and explicit statement of the underlying facts supporting the factual findings, and notice of the opportunity to request a hearing conducted by the Governor or the Governor's designee; And

WHEREAS, on March 7, 2013, pursuant to Section 15(2) of Public Act 72 of 1990, the Local Government Fiscal Responsibility Act, City of Detroit officials requested a hearing that was conducted on March 12, 2013; And

WHEREAS, on March 13, 2013, the Governor received from Chief Deputy Treasurer Mary G. MacDowell, who presided at the hearing, a written report summarizing the proceedings of the hearing; And

WHEREAS, on March 14, 2013, after reviewing the hearing report submitted by the Department of Treasury, the Governor confirmed his earlier determination that a financial emergency exists in the City of Detroit and provided City of Detroit officials notice of his confirmation;  
And

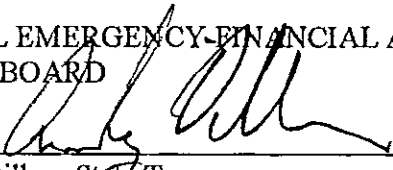
WHEREAS, pursuant to Section 18(1) of Public Act 72 of 1990, the Local Government Fiscal Responsibility Act, the Governor has assigned responsibility for managing the financial emergency in the City of Detroit to the Local Emergency Financial Assistance Loan Board.

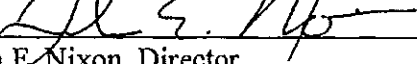
NOW THEREFORE, be it ordered by the Local Emergency Financial Assistance Loan Board as follows:

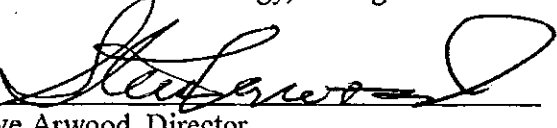
1. That, pursuant to the authority granted the Local Emergency Financial Assistance Loan Board by Section 18(1) of Public Act 72 of 1990, the Local Government Fiscal Responsibility Act, Kevyn Orr is appointed Emergency Financial Manager for the City of Detroit.
2. That the Emergency Financial Manager shall exercise the duties and responsibilities granted to that office by Public Act 72 of 1990, the Local Government Fiscal Responsibility Act, or by any successor Act.
3. That the duties, responsibilities, and compensation of the Emergency Financial Manager shall be set forth in a written contract between the Local Emergency Financial Assistance Loan Board and the Emergency Financial Manager.
4. This Order shall take effect on March 25, 2013.

IN WITNESS WHEREOF, the members of the Board, or their designees, have signed and executed this Order of Approval.

LOCAL EMERGENCY FINANCIAL ASSISTANCE  
LOAN BOARD

By   
Andy Dillon, State Treasurer

By   
John E. Nixon, Director  
Department of Technology, Management and Budget

By   
Steve Arwood, Director  
Department of Licensing and Regulatory Affairs

Date: 3-14-13  
Lansing, Michigan